

<b>MEETING:</b>	<b>COMMUNITY SERVICES SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>20<sup>TH</sup> NOVEMBER 2009</b>
<b>TITLE OF REPORT:</b>	<b>SUPPORT FOR BUSINESSES AFFECTED BY THE PROPOSED EDGAR STREET GRID LINK ROAD</b>
<b>PORTFOLIO AREA:</b>	<b>ECONOMIC DEVELOPMENT AND COMMUNITY SERVICES</b>

**CLASSIFICATION:** Open

### **Wards Affected**

Aylestone and Central Wards

### **Purpose**

To report on the economic support that the Council has made available to businesses that will have to relocate from the Edgar Street Grid as a result of the construction of a Link Road by ESG Herefordshire Ltd from Aylestone Hill to Edgar Street.

### **Recommendation**

**THAT the Committee consider the support packages available for business relocation as a result of the Edgar Street Grid Link Road.**

### **Reasons for Recommendations**

1. To inform Members of the Committee of the efforts that the Council is making to assess the impact on businesses of the proposed Link Road, following the submission of a planning application for the Road by ESG Herefordshire Ltd. The construction of this road will require the relocation of a number of businesses who will require significant support to ensure that they can successfully relocate and maintain their operations. The Committee will be informed of the outline support packages that will be made available to those affected.

### **Introduction and Background**

2. At the meeting of the Community Services Scrutiny Committee held on 5<sup>th</sup> October 2009, it was suggested the Committee should scrutinise the potential impact of the proposed new Link Road in Hereford. It was felt that it important that the Committee considered and addressed the economic implications for existing business. The Committee agreed that a meeting would be held to consider the subject.
3. As currently proposed, the ESG project, which the Council supports and for which it has adopted the Masterplan, includes a proposal for the Link Road. ESG Herefordshire Ltd, with the support of the Council representatives on their Board, has decided to submit a planning application for the new road.
4. The approved Unitary Development Plan and the subsequent Supplementary Planning Document for the ESG development, informed by the ESG Masterplan, provide a robust

planning policy and design framework for the overall redevelopment of the ESG site.

5. The ESG Masterplan identifies the creation of a number of different developments within the ESG area. The creation of these projects will require substantial preliminary infrastructure including the relocation of the existing Livestock Market, creation of flood mitigation works off site, and a new Link Road running from the A49 through to Commercial Road.
6. The Link Road is required from a technical transportation viewpoint and will run from a location near the current BP petrol station on Edgar Street through to a reconfigured Station Approach and accompanying junction. This preferred line runs through land and property within a number of different ownerships.
7. Businesses will be affected by the first phases of development on the line of the Link Road and the Livestock Market; there is a need, as far as reasonably practicable, for these businesses to be relocated from their current location to others within the City.

## **Community Impact**

8. The Council is actively working with the businesses affected to assist them with their relocation. It is confident that it will be able to successfully relocate the business to a location from which they will continue to thrive. No businesses will have to close. The Council currently anticipates that 18 businesses will have to relocate as a result of the Link Road proposals, accounting for 161 full time and 29 part time jobs. It should be noted that there is a mix of both local and national companies within this list, ranging in size from one person operations to medium sized businesses. Obviously some businesses, both local and national, will have branches elsewhere that will not be affected.

## **Financial Implications**

9. The financial implications are currently being assessed. Applications will be made to Advantage West Midlands for funding to assist with the relocations.

## **Legal Implications**

10. The Interim Assistant Chief Executive - Legal and Democratic has advised that the Community Service Scrutiny Committee must not stray into decisions which are matters for the Planning Committee. The Planning Committee has a statutory role and the planning process is a separate process that must operate independently of the scrutiny function. Members of the Scrutiny Committee who are also Members of the Planning Committee and may be called upon to consider any future planning application, must be careful not to express a fixed view as to the merits or otherwise of such a development, while exercising their scrutiny role. Failure to do so may either preclude the Member from taking part in the consideration of the planning application or prejudice the planning decision and expose the Council to legal challenge.

## **Risk Management**

11. If businesses are not successfully relocated this could have an impact on the local economy. To mitigate this risk, the Council is ensuring there are financial packages and independent support available for these businesses, as well as a range of sites to support the businesses in their relocation.

## **Background Papers**

- None